

IC 20-42-4

Chapter 4. Funding of Retirement or Severance Plan

IC 20-42-4-1

Application

Sec. 1. This chapter applies to a school corporation that:

- (1) after June 30, 2001, establishes a retirement or severance plan that will require the school corporation to pay postretirement or severance benefits to employees of the school corporation; or
- (2) includes in a collective bargaining agreement or other contract entered into after June 30, 2001, a provision to increase:
 - (A) the benefit; or
 - (B) the unfunded liability;under a retirement or severance provision that will require the school corporation to pay postretirement or severance benefits to employees of the school corporation.

As added by P.L.2-2006, SEC.165.

IC 20-42-4-2

Actuarial funding requirement; separate accounting

Sec. 2. (a) A school corporation must fund on an actuarially sound basis the postretirement or severance benefits that will be paid to employees under a plan, an agreement, or a contract described in section 1(1) of this chapter or an increase described in section 1(2) of this chapter.

(b) A school corporation must place the assets used to fund on an actuarially sound basis the postretirement or severance benefits in a separate fund or account, and the school corporation may not commingle the assets in the separate fund or account with any other assets of the school corporation.

As added by P.L.2-2006, SEC.165.